

## BUILDING A BETTER WORLD THROUGH LEAN SIX SIGMA

**ABOUT UNITED STATES GYPSUM COMPANY (USG) - HQ.** USG

Corporation is an industry-leading manufacturer of building products and innovative solutions serving construction markets around the world. The company employs around 6,600 people in North America at 52 manufacturing facilities, a Corporate Innovation Center in Libertyville, Illinois, and its headquarters in Chicago. For more than 115 years, USG has been known for its market-changing products, including Sheetrock® brand wallboard, and the company holds more than two thousand active U.S. and international patents.

**THE CHALLENGE.** As a manufacturer of wall, ceiling, flooring, roofing, and sheathing products, USG had to make changes to survive the dramatic drop in housing construction that began in 2008. Company leaders faced very difficult decisions about where to invest, but they understood that innovation and efficiency would drive business forward. The management team decided to develop the capabilities of USG staff to respond to business cycles and to expand on an existing culture of Continuous Improvement. They chose Lean Six Sigma (LSS) as the methodology to help them accomplish those objectives and to improve profitability throughout the cycle.

**MEP CENTER'S ROLE.** USG turned to the Texas Manufacturing Assistance Center (TMAC) at the University of Texas at Arlington, part of the MEP National Network, when it officially established its Corporate Excellence Program in 2010. Senior Vice President Chris Lawson spearheaded an effort to launch a formal LSS program at USG. The initial wave trained 26 employees as LSS Black Belts with a mission to eliminate waste in USG's manufacturing operations.

Next, USG Black Belts attended TMAC's LSS Master Black Belt (MBB) course, with the goal of returning to the company to train new and upcoming Green Belts. The MBBs provided project coaching for the Green Belts and Black Belts, promoting greater consistency among projects, shortening timelines, and increasing chances for success.

In 2013, USG launched an LSS program focused on its corporate functions and invited TMAC to teach a Design for Lean Six Sigma class at its headquarters in Chicago. To date, almost 60 USG employees have attended Black Belt training at TMAC, with 21 selected for further development in TMAC's Master Black Belt program. The training investment brought significant returns in cost savings and cycle time reduction. It also generated a cultural shift in the company that continues to sustain USG as it welcomes the next wave of leadership.

**"Working with TMAC to integrate the LSS methodology throughout our company has had an incredible impact on our organization. TMAC has been integral in the training and development of our Black Belts and Master Black Belts, and continues to be a valued contributor on our journey of Continuous Improvement."**

-Chris Lawson, Sr. VP Corporate Excellence

## RESULTS



Over **\$250** million in hard savings



Over **250%** internal return on investment



**40%** reduction in Project Cycle Time since first wave of Green Belts



Regular leadership updates & dashboards

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